May 31, 2013

Technical Director
Financial Accounting Standards Board
401 Merritt 7
Norwalk, CT 06856-5116

Via email – director@fasb.org


Plante & Moran, PLLC (Plante Moran) appreciates the opportunity to provide comments on the above referenced exposure draft. Plante Moran is the 12th largest public accounting and management consulting firm in the nation. We also are the 6th largest auditor of benefit plans in the United States auditing over 1,200 plans per year representing over $138 billion in plan assets.

The following are our responses to the Questions for Respondents:

1. Do you agree with the indefinite deferral, as well as the Board’s decision to defer for investments held by nonpublic employee benefit plans, only the quantitative information about the significant unobservable inputs used in Level 3 fair value measurement of its plan sponsor’s own nonpublic entity equity securities, and not the qualitative information, required by paragraph 820-10-50-2(bbb)? Why or why not?

   We agree that the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements of its plan sponsor’s own nonpublic entity equity securities should be deferred.

   With respect to the qualitative information, we believe the description of the valuation technique(s) and the inputs used in the Level 3 fair value measurements of its plan sponsor’s own nonpublic entity equity securities should also be deferred. Level 3 fair value measurements of nonpublic equity securities are often made with the assistance of appraisals performed by external valuation specialists and these appraisals often use three different valuation approaches to determine the fair value of the plan sponsor’s nonpublic equity securities. While there is little risk of proprietary information being released as a result of the qualitative disclosures, we do not believe disclosing qualitative information about each of the valuation approaches and significant inputs would provide relevant information to users of the financial statements since information about which approach or which inputs more heavily influenced the valuation will not be provided. Accordingly, we
recommend the qualitative disclosure requirements of paragraph 820-10-50-2(bbb) also be indefinitely deferred for nonpublic plans for the Level 3 fair value.

2. **Do you agree with the limited scope of plan sponsor’s own nonpublic entity equity securities covered by the proposed Update? If not, what other investments should be included or excluded from the guidance in the proposed Update and why?**

We agree that the Update should include the plan sponsor’s own nonpublic entity equity securities. However, we think the scope should be expanded to include nonpublic entity equity securities of related parties. We audit a number of nonpublic employee benefit plans that hold nonpublic entity equity securities of the plan sponsor’s parent or holding company, subsidiaries, as well as brother/sister entities. For the reasons stated within the proposed Update, the risk of proprietary information being released applies equally to plan sponsors and their related parties.

For purposes of the proposed Update, we recommend that related parties of a plan sponsor include all entities under common control.

3. **Do you agree with the scope of the employee benefit plans in this proposed Update? If not, which other employee benefit plans should be included or excluded from the guidance in the proposed Update and why?**

As discussed in our response to question 2 above, we believe the scope should be expanded to include investments in nonpublic equity securities of related parties of the plan sponsor.

As such, we believe the scope of the proposed update should not be limited to nonpublic employee benefit plans (as defined), but rather the scope of the proposed Update should be based only on the nature of the nonpublic equity securities held by the plan.

4. **Do you agree with the definition of nonpublic employee benefit plan? Is it understandable and operable?**

Notwithstanding our response to question 3, we agree with the definition of nonpublic employee benefit plan and believe it is understandable and operable.

We appreciate FASB’s quick response to this matter and addressing it before the 2012 employee benefit plan financial statements are due to be filed with the Department of Labor.

If you have any questions, please contact Theresa K. Banka at Theresa.Banka@plantemoran.com or 248.223.3572.

Very Truly Yours,

Plante & Moran, PLLC